



REPUBLICANS CASH IN ON THE #GOPTAXSCAM

Republicans Gave Their Wealthy Donors Billions of Dollars in Tax Cuts, and Their Donors Returned the Favor



An Update from the Democracy Reform Task Force

February 14, 2018

INTRODUCTION

On the eve of releasing the first details of the Republican tax scam, Speaker Paul Ryan invited the American Action Network – an arm of the Koch Brothers’ sprawling political organization – to a Republican conference meeting, where the big-money pressure organization played a handful of political ads for the assembled members of Congress. The message of the ads was clear: pass the tax scam and get rewarded with favorable political support; oppose it and you will get punished with negative attacks. Rank-and-file Republicans got the message. “Like a teacher showing the kids a paddle on the first day of class, the blatant implication was that those who misbehaved would be spanked,” said one anonymous Republican.¹

As Republicans took their marching orders and raced to pass the #GOPTaxScam, the Democracy Reform Task Force [issued a mini-report](#) showing how Republicans openly admitted that pleasing their donors was the driving motivation for forcing their tax bill through Congress. With the #GOPTaxScam now on the books, Republican donors are keeping up their end of the bargain by opening up their checkbooks and offering Republicans generous campaign contributions and political support. This update from the Democracy Reform Task Force bookends the prior mini-report, highlighting how big money drives the agenda in Washington and puts the interests of wealthy donors ahead of the public interest.

¹ Fuller, Matt and Paul Blumenthal. “[Some Conservatives See PAC’s Tax Reform Ads as Potential Warning Shot](#).” The Huffington Post. September 26, 2017.

“BIG DONORS READY TO REWARD REPUBLICANS FOR TAX CUTS”

POLITICO

“Texas-based donor and fundraiser Doug Deason ... refused to give money to Washington Republicans until the gridlock broke in Congress. Pleased with the tax reform efforts, he said he’s since called off the strike.”

“Within days of the tax bill passing the Senate, several other GOP donors started cutting checks too. Marlene Ricketts (whose family owns the Chicago Cubs), Metro Bank founder Vernon Hill and coal magnate Joseph Craft each gave \$50,000 to \$100,000 to House Republicans’ committees after not making large donations to federal candidates for the first 11 months of the year.”

SPEAKER PAUL RYAN THANKS HIS DONORS



Julie Bykowicz ✓

@bykowicz



AFP's Tim Phillips asks Koch network donors to give themselves round of applause for helping pass tax legislation. (They do.)

Now playing: A donor thank you video from Paul Ryan.

4:39 PM - Jan 28, 2018



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“AFTER SCORING HUGE TAX CUTS, CHARLES KOCH FLOODS RYAN WITH CASH”

International Business Times ■

“Thirteen days after the U.S. House passed its version of the tax legislation, Charles Koch and his wife, Elizabeth, combined to donate nearly \$500,000 to House Speaker Paul Ryan’s joint fundraising committee.”

“The Koch network had a hand in ginning up support for the legislation. Americans for Prosperity spent tens of millions of dollars urging GOP lawmakers to pass the tax cuts, including hosting events in at least 36 states and running ads, while asking its donors to call Republican legislators about the bill.”

“PAYMENT ON DELIVERY”

“When you look at the sequencing of things – how big money donors are sending in their contributions as soon as the tax legislation is crossing the finish line – it’s what you call payment on delivery.”

— Rep. John Sarbanes, Democracy Reform Task Force Chair



CONCLUSION

The Republican Party continues to cash-in on its passage of the #GOPTaxScam. Without a doubt, more examples will surface of big-money donors explicitly rewarding their Republican patrons in Congress for this massive giveaway. What's more, this corrupt strong-arming by the politically powerful will likely migrate to other policy debates in Congress.

For example, the recently released Trump Budget for fiscal year 2019 has the potential to dramatically reorder our nation's priorities in favor of big business and the wealthy, while harming hardworking Americans and the most vulnerable members of our society.^{2,3} There is no reason to think big money donors won't continue to use their largess to bend the agenda in Washington in their favor – and there is no reason to think Republicans won't continue to oblige. Already, Republican Members of Congress are sharpening their knives to cut critical programs like Medicare and Social Security in order to pay for this wrongheaded tax giveaway. Americans of all political stripes deserve better. They deserve a Congress that works for the public interest, not special interests.

² Greenstein, Robert. "[Trump Budget Offers Stark Vision](#)." Center on Budget and Policy Priorities. February 12, 2018

³ Rampell, Catherine. "[Trump Hates Deficits — Unless They Help Rich People](#)." The Washington Post. February 12, 2018.





ABOUT THE DEMOCRACY REFORM TASK FORCE

The [Democracy Reform Task Force](#) is a concerted effort in the House of Representatives to build a government that puts the public interest ahead of special interests. Despite promises to “drain the swamp,” President Trump and the Republican-controlled Congress are pursuing an agenda that primarily benefits the wealthy and well-connected, while flouting the long-established norms and laws that prevent public corruption.

The [Democracy Reform Task Force](#) – chaired by Congressman John Sarbanes – is working to confront the Trump Administration’s conflicts of interest and ethical lapses and fight back against special-interest policies in Congress, while advancing positive reforms to improve accountability and transparency in government.

